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DD/S 70-3399

12 AUG 1970

MEMORANDUM FOR: Acting Deputy to the DCI for National Intelligence  
Programs Evaluation

SUBJECT : Blue Ribbon Defense Panel

1. I have had a chance to read most of the section on Defense intelligence together with the recommendations at the end of that section. The proposed restructuring of the intelligence program as proposed in the recommendations starting on page 46 does not pose any specific issues with the functions of the Support Directorate. It is a bit difficult to sort out some of the specific functions in which we play a part and whether our interests will be affected will not become clear until this restructuring, if approved, advances to the implementation stage.

2. Specific areas of interest keyed to the recommendations are as follows.

a. 2h - "Develop policy and procedures to ensure protection of intelligence and intelligence sources of methods. . . " The Office of Security which is the responsible element in the Agency for implementing policy, controls, practices and procedures for compartmented systems will be directly concerned with any increase or decrease of controls suggested by this recommendation. In addition, the Security Committee is chaired by the Director of Security and the problem of balance between Security controls and exploitation of product intelligence is a matter of continuing concern.

b. 3a - "Establish a Defense security command to be composed of the present service cryptologic agencies. . . " This recommendation with its various facets will effect the Office of Communications as follows: The CIA Director of

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Communications is a member of the Communications Security Board and in this capacity is concerned with its operation as both a member of the Board and a user of the product. All Agency cryptographic systems are obtained from NSA and the Office of Communications shares to a certain extent in the research and development activities of NSA. An additional

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What the impact if any on this program would only appear as implementation of the recommendations begin and the targets and priorities are subsequently reviewed and reallocated. Not mentioned in any of the recommendations is the strong NSA desire to participate and perhaps have their own dedicated communications system. Last year they lost this battle to the Defense Communications Agency but with the proposed extension of authority to the Director, NSA I am certain that this issue will again be raised. While we are not directly involved as a communications system the fallout from such an issue can have some impact upon our communications activities.

c. 5 - "Establish within the Defense security command a unified Defense service responsible for all personnel security investigations within the DOD and its contractors. This is a rather large undertaking and its implementation will be of significant interest to the Agency as we rely heavily on Defense security reports in our investigative program and the basis for Security clearances and compartmentation systems is an integral part of this program. Hopefully this will result in improvement which would work to our benefit.

3. None of the above comments represent a critical problem and I feel that we can adjust our relationships to serve our interests as the implementation of these recommendations proceeds.

R. L. Bannerman  
Deputy Director  
for Support

DD/S:RLB:llc (12 August 1970)

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